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5 Of Attorneys for Trustee Larry D. Compton
6

7 IN THE UNITED STATES BANKRUPTCY COURT
8 FOR THE SOUTHERN DISTRICT OF NEW YORK
9

10 In Re:)
11 MOTORS LIQUIDATION COMPANY,)
12 et al., f/k/a General Motors Corp., et al.)
13 Debtor.) Chapter 11
14) Case No. 09-50026 (REG)
15

16 AFFIDAVIT OF LARRY D. COMPTON
17

18 STATE OF ALASKA)
19 THIRD JUDICIAL DISTRICT) : ss.
20

21 I, Larry D. Compton, Chapter 7 Trustee for the Bankruptcy Estate of Capital
22 Chevrolet, being first duly sworn upon oath, depose and state as follows:
23

24 1. I am the Trustee appointed for the Chapter 7 Bankruptcy Estate of Capital
25 Chevrolet. I submit this affidavit in support of my motion to accept the late filed proof
26 of claim in the Motors Liquidation proceeding.
27

28 2. I think it would be helpful for the court to understand the history of the
29 Capital Chevrolet bankruptcy in making its ruling whether to accept the proof of claim
30

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1 filed on my behalf by Baxter Bruce & Sullivan on December 3, 2009, three days after
2 the bar date of November 30, 2009.
3

4 3. The first meeting of creditors was on April 16, 2007. Initially it appeared
5 that there would be no recovery for the unsecured creditors in the case due to the
6 heavily leveraged position of the debtor. However, in discussing the matter with the
7 secured creditor holding an interest in the parts inventory it became evident that a deal
8 could be struck wherein the Trustee could sell the inventory with a carve out in favor of
9 the unsecured creditors. Based on that a deal was negotiated that provided for me as
10 the Trustee to negotiate the liquidation of the collateral with a carve out for the
11 unsecured creditors.
12
13

14 4. In May 2007 I employed a GM Parts Inventory Specialist from Moses
15 Lake, Washington, to fly to Juneau, Alaska, to update the computerized parts inventory
16 and send it to GM for "returned parts" approval. Because of the remoteness of Juneau
17 (it is not on Alaska's road system) and because of the lack of cooperation of GM
18 personnel, the parts were not authorized to be returned until May 2008. I immediately
19 arranged for the transfer of parts but was not sent the packing lists necessary for the
20 transfer until September 17, 2008. For many months I regularly contacted GM
21 personnel in Portland, Oregon and Reno, Nevada (where the parts were shipped) to
22 determine when payment would be sent.
23
24

25 5. Based on what I was told by those personnel the funds were earmarked
26 for payment to the Capital Chevrolet Estate pending completion of the proper GM
27
28

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1 forms. I repeatedly completed the forms both pre petition and post petition of the
2 Motors Liquidation based on requests by Mr. Jim Oliver.
3

4 6. After the GM bankruptcy was filed there were still many emails with Mr.
5 Oliver inquiring about payment. I did not receive any notice of the bankruptcy filing
6 from the court even though I was having the Capital Chevrolet mail forwarded to my
7 office in Anchorage.
8

9 7. I wasn't even sure that the entity I was dealing with in Reno, Nevada was
10 a part of the GM filing since at no time was I advised by Mr. Oliver that the payment
11 for these parts was stayed due to the bankruptcy filing of GM.
12

13 8. Finally after months of being ignored or stone walled by Mr. Oliver I
14 decided that I should file a proof of claim. I have routinely used the law firm of Baxter
15 Bruce & Sullivan for cases in Southeast Alaska and often times deal directly with the
16 paralegals there when the firm represents me as the trustee. I requested that a proof of
17 claim be prepared and filed in the case. Unfortunately since I had never received a
18 notice to creditors or any notice of the bar date I made a verbal request and due to a
19 mistake the initial proof of claim was prepared for the Chrysler Motors case. I did not
20 catch the error until December 2, 2009 when I questioned why we were receiving
21 pleadings in the Chrysler case. Baxter Bruce & Sullivan immediately prepared a proof
22 of claim in the GM case and filed it the next day.
23

24 9. I believe the equities strongly favor the allowance of the December 3,
25 2009 proof of claim given the conduct of GM since May 2007.
26

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FURTHER your affiant sayeth naught.

Larry D.
Compton

Larry D. Compton, Trustee

- Digitally signed by Larry D. Compton -
DN: cn=Larry D. Compton, o=Trustee,
email=Larry@comptontrustee.com, c=US
Date: 2011.01.19 18:59:24 -09'00'

SUBSCRIBED and SWORN TO before me this 19th day of January, 2011.

Notary Public, State of Alaska

My commission expires: //

• 3 1

